FE	DERAL ELECTION COMMISSION 999 E Street, N.W. Washington, D.C. 20463	
FIRST GENERAL COUNSEL'S REPORT		
	MUR 6270	
•	DATE COMPLAINT FILED: April 8, 2010 DATE OF NOTIFICATION: April 16, 2010 DATE OF LAST RESPONSE: June 24, 2010 DATE ACTIVATED: June 16, 2010	
	STATUTE OF LIMITATIONS: June 14-Dec. 6, 2014	
COMPLAINANT:	Johnathan C. Gay	
RESPONDENTS:	Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer Rand Paul Committee to Re-Elect Ron Paul and Lori Pyeatt, in her official capacity as treasurer Rep. Ron Paul www.RandPaulGraphs.com Coalition Opposed to Additional Spending and Taxes.Candidates PAC and Mark Miller, in his official capacity as treasurer Alchemy, LLC Owensboro Dermatology Associates, P.S.C. www.RandsTeaParty.com Campaign for Liberty and John Tate, its president David Adams	
RELEVANT STATUTES:	2 U.S.C. § 434(b) 2 U.S.C. § 441a 2 U.S.C. § 441b 2 U.S.C. § 441d 11 C.F.R. § 100.26 11 C.F.R. § 109.21 11 C.F.R. § 110.11 11 C.F.R. § 114.4(b) and (c)	
INTERNAL REPORTS CHE	ECKED: Disclosure Reports	
FEDERAL AGENCIES CHE	ECKED: None	

## 1 I. INTRODUCTION

The complaint alleges several violations involving Rand Paul, a candidate in the 2010

3 Kentucky U.S. Senate race, and his authorized committee, Rand Paul for U.S. Senate and Eric D.

4 Stein, in his official capacity as treasurer (the "Rand Paul Committee"). The allegations, which

5 also involve other respondents, fall into four categories: (1) undisclosed excessive in-kind

contributions resulting from abandinated communications and related allegations; (2) disalarmer

violations; (3) failure to disclose routal payments; and (4) the making and receipt of corporate

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Because the alleged coordinated communications did not meet the coordinated communications test, we recommend that the Commission make no reason to believe findings that undisclosed excessive in-kind contributions were made or received in connection with such communications, and no reason to believe findings as to the related allegations. We also recommend that the Commission make no reason to believe findings as to all of the alleged disclaimer violations, except that as to mailers and two emails sent by the Rand Paul Committee, we recommend that the Commission exercise its prosecutorial discretion and dismiss the allegations. We further recommend that the Commission dismiss the allegations as to undisclused pental payments, find no reason to believe as to the emporate contribution allegations, and close the file as to all respondents.

## II. <u>FACTUAL AND LEGAL ANALYSIS</u>

## A. Alleged Coordinated Communications and Related Allegations

The complaint alleges that the Rand Paul Committee failed to disclose excessive in-kind contributions arising from coordinated communications in the form of: (1) email solicitations by Rand Paul's father, U.S. Representative Ron Paul, and his authorized committee, the Committee

- 1 to Re-Elect Ron Paul, and Lori Pyeatt, in her official capacity as treasurer ("Re-Election
- 2 Committee"), (2) email solicitations from the Coalition Opposed to Additional Spending and
- 3 Taxes Candidates PAC ("COAST PAC"), and (3) updates of contributions received by the Rand
- 4 Paul Committee shown on the website www.RandPaulGraphs.com. Complaint at 2-4.
- 5 Under the Federal Election Campaign Act of 1971, as amended ("Act"), no person may
- 6 make a contribution, including an in-kind contribution, to a candidate and his authorized political
- 7 committee with respect to any election for Fodexal office which, in the aggregate, exceeds
- 8 \$2,400, and no candidate or authorized political committee may accept such a contribution.
- 9 2 U.S.C. §§ 441a(a)(1) and (f); see 2 U.S.C. § 431(8)(A)(i), 11 C.F.R. § 100.52(d)(1).
- 10 See also 2 U.S.C. § 432(e)(3)(B) (no political committee which supports or has supported more
- than one candidate may be designated as an authorized committee, except that the term "support"
- here does not include a contribution by any authorized committee in amounts of \$2,000 or less to
- an authorized committee of any other candidate). The Act defines in-kind contributions as,
- 14 inter alia, expenditures by any person "in cooperation, consultation, or concert, with, or at the
- 15 request or suggestion of, a candidate, his authorized political committees, or their agents."
- 16 2 U.S.C. § 441a(a)(7)(B)(i). Treasurers of political committees are required to discluse all
- 17 contributions, including in-kind contributions. 2 U.S.C. § 434(b).
- 18 Commission regulations set forth a three-prong test to define when a communication is
- 19 coordinated. A communication is coordinated with a candidate or candidate committee when:

The complaint also alleges that the Rand Paul Committee violated 11 C.F.R. § 109.21, the Commission's regulations regarding coordinated communications. *Id.* at 3-4. Section 109.21, however, defines a coordinated communication as an in-kind contribution and is not, by itself, subject to violation. Instead, where activity satisfies the definition of a coordinated communication, and thus constitutes an in-kind contribution, the Act's disclosure requirements, contribution limits, and source prohibitions may be implicated. *See* 2 U.S.C. §§ 434(b), 441a(a), 441a(f), 441b(a).

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- 1 (1) the communication is paid for by a person other than that candidate, authorized committee or
- 2 agent thereof; (2) the communication satisfies at least one of the four "content" standards
- 3 described in 11 C.F.R. § 109.21(c); and (3) the communication satisfies at least one of the six
- 4 "conduct" standards described in 11 C.F.R. § 109.21(d). 2 11 C.F.R. § 109.21(a). As discussed
- 5 below, it appears that none of the communications at issue met the content prong of the
- 6 coordinated communications test.

## 1. Rep. Ron Paul and the Re-Election Committee

The complaint alleges that Rep. Ron Paul and the Re-Election Committee sent five emails endorsing Rand Paul and soliciting contributions, which were coordinated with Rand Paul and the Rand Paul Committee. See Complaint Exhibits B and C. The return address of the emails is RonPaulForCongress.com and contains the disclaimer "Pol. Adv. Paid by the Committee to Re-elect Ron Paul." The Respondents deny that these communications were coordinated. See Ron Paul response at 3; Rand Paul Committee response at 2-3.

The content prong of the coordinated communications test includes: (1) an "electioneering communication" defined at 11 C.F.R. § 100.29; (2) a "public communication" as defined at 11 C.F.R. § 100.26 that dissominates compaign materials prepared by a condidate; (3) a "public communication" that expressly advocates the election or defeat of a clearly identified federal candidate; and (4) a "public communication" that refers to a clearly identified candidate, is distributed 90 days or fewer before an election and is directed to a targeted audience. 11 C.F.R. § 109.21(c). None of the five emails at issue satisfy the content prong because none of them are either an "electioneering communication" or a "public

<sup>&</sup>lt;sup>2</sup> The activity in this matter occurred before the December 1, 2010 effective date of the Commission's recent revitices to the coordination regulations. See Final Rules and Explanation and Instiffcation, Coordinated Communications, 75 Fed. Reg. 55947 (September 15, 2010).

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- 1 communication." An "electioneering communication" is defined as a broadcast, cable or satellite
- 2 communication that refers to a clearly identified federal candidate and is distributed to the
- 3 relevant electorate 30 days before the primary election or 60 days before the general election.
- 4 2 U.S.C. § 434(f)(3); 11 C.F.R. § 100.29. Because the emails at issue did not employ any of
- 5 these forms of communication, they are not "electioneering communications."

"Public communication" is defined as a communication by means of any broadcast, cable, or satultite communication, newspaper, magazine, continor advantising facility, mass mailing or telephone bank to the general public, or any other form of general public political advertising, but excludes communications over the Internet, except for communications placed for a fee on another person's Web site. 11 C.F.R. § 100.26. Because the emails were sent via the Internet, and we have no information suggesting that they were placed for a fee on another person's website, they also are not "public communications." As such, the emails do not meet the content prong of the coordinated communications test. Accordingly, we recommend that the Commission find no reason to believe that Rep. Ron Paul or the Committee to Re-Elect Ron Paul, and Lori Pyeatt, in her official capacity as treasurer, made and failed to disclose an excessive contribution in violation of 2 U.S.C. §§ 441a(a) or 434(b), or that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, accepted and failed to disclose an excessive in-kind contribution, in violation of 2 U.S.C. §§ 441a(f) or 434(b), in connection with the alleged coordinated communications.

20 Related to the same five emails, the complaint alleges that the Re-Election Committee
21 made, and the Rand Paul Committee accepted, an undisclosed in-kind contribution because the

We note that even if they had been coordinated, the emails appear to satisfy, with respect to Rep. Ron Paul, the safe haring for coordinated contributions for solisitations and emicrosomous by one Federal candidate on behalf of another Federal candidate. See 11 C.F.R. § 109.21(g).

1 Re-Election Committee used its mailing list of potential supporters and contributors to send the

2 emails. See Complaint at 3. In response, the Rand Paul Committee states that it properly

reported the use of the list as in-kind contributions or as an outstanding debt. Rand Paul

4 Committee response at 3. Disclosure reports appear to confirm this statement.

The Rand Paul Committee's disclosure reports reflect the receipt of two in-kind contributions of \$550 each for the rental of the Re-Election Committee's email list, on October 1, 2009 and December 12, 2009, and an outstanding debt of \$4,600 ewod for additional rentals of the email list. Similarly, the Re-Election Committee's disclosure reports reflect the making of two in-kind contributions of \$550 each for list rental by the Rand Paul Committee. Accordingly, we recommend that the Commission find no reason to believe that the Committee to Re-Elect Ron Paul, and Lori Pyeatt, in her official capacity as treasurer, made and failed to disclose an excessive contribution in violation of 2 U.S.C. §§ 441a(a) or 434(b), or that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, accepted and failed to disclose an excessive in-kind contribution, in violation of 2 U.S.C. §§ 441a(f) or 434(b), in connection with the use of the email list.

#### 2. COAST PAC

The complaint also alleges that the Rand Paul Committee coordinated an email solicitation with Coalition Opposed to Additional Spending and Taxes Candidates PAC and Mark Miller, in his official capacity as treasurer ("COAST PAC"), resulting in the making and receipt of undisclosed in-kind contributions. The email, dated December 16, 2009, and headed "Action Alert, 'Money Bomb Today!" solicits contributions and encourages supporters to visit a

- website to view the Rand Paul Committee's receipt of contributions in real time. See Complaint
- 2 at 3 and Exhibit J; the email is attached to this Report in Attachment 1 at pages 20-21.5
- 3 Both COAST PAC and the Rand Paul Committee deny any coordination. See COAST PAC
- 4 response at 3; Rand Paul Committee response at 4.
- As with the emails sent by the Re-Election Committee discussed above, and for the same
- 6 reasons, the COAST PAC email solicitation, an Internet communication that, as far as we know,
- 7 was not posted on another's website, does not meet the content pronag of the consdinated
- 8 communications test because it was neither an "electioneering communication" nor a "public
- 9 communication." See 2 U.S.C. § 434(f)(3); 11 C.F.R. §§ 109.26 and 109.21(c)(1)-(4).
- 10 Therefore, we recommend that the Commission find no reason to believe that Coalition Opposed
- 11 to Additional Spending and Taxes Candidates PAC and Mark Miller, in his official capacity as
- treasurer, made an excessive in-kind contribution in violation of 2 U.S.C. § 441a(a), or that Rand
- Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, accepted an
- undisclosed excessive in-kind contribution in violation of 2 U.S.C. §§ 441a(f) or 434(b) with
- 15 respect to the "Money Bomb Today!" email. Further, because the email was neither an
- 16 "elections oring communication" nor a "public communication," the complaint's related
- 17 allegation that it required, but smitted, a disclaimer, has no merit. See 2 U.S.C. § 441d,
- 18 11 C.F.R. § 110.11, and the discussion of disclaimers in Section II.B., infra. Accordingly, we
- 19 recommend that the Commission find no reason to believe that Coalition Opposed to Additional

<sup>&</sup>lt;sup>4</sup> The "Money Bomb Today!" email contains a disclaimer, "Paid for by COAST Candidates PAC, Mark Miller[,] Treasurer." COAST PAC was formarly registered with the Commission, but its termination request was approved on April 29, 2008.

<sup>&</sup>lt;sup>5</sup> For the Commission's convenience, we have copied and paginated in Attachment 1 to this Report the collection of communications included as Exhibit J to the complaint.

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- 1 Spending and Taxes Candidates PAC and Mark Miller, in his official capacity as treasurer,
- 2 violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11.

## 3. Citizens Organized Against Additional Spending and Taxes

- 4 The complaint also includes a letter from a different "COAST" organization, identified
- 5 on the letterhead as Citizens Organized Against Additional Spending and Taxes ("Citizens
- 6 Organized") that the complaint alleges was coordinated with the Rand Paul Committee.
- 7 See Complaint at 3, Exhibit D and Exhibit J, and Attachment 1 at 12-14. This inter, dated
- 8 August 3, 2009, lauds the accomplishments of Rand Paul and asks readers to urge him to run for
- 9 the U.S. Senate. See id. The return address of the enclosed envelope is that of the Rand Paul
- 10 Committee. See Attachment 1 at 18. The Rand Paul Committee denies coordinating this.
- 11 Citizens Organized letter. See Rand Paul Committee response at 3-4. Based on the specific
- 12 denial from the Rand Paul Committee and the lack of information indicating coordination
- 13 between Citizens Organized and the Rand Paul Committee, we recommend the Commission find
- 14 no reason to believe that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as
- 15 treasurer, accepted an undisclosed excessive in-kind contribution in violation of 2 U.S.C.
- 16 §§ 441a(f) or 434(b). We were unable to locate contact information for Citizens Organized to
- 17 notify it of the complaint. Accordingly, we make no recommunication as to Citizens Organized.

## 4. www.RandPaulGraphs.com

- The website www.RandPaulGraphs.com tracks various statistics regarding Rand Paul's
- 20 campaign, including its receipt of contributions, and provides a link for interested persons to
- 21 donate to the campaign. The complaint alleges that the content of www.RandPaulGraphs.com is
- 22 coordinated with the Rand Paul Committee. Complaint at 4 and Exhibit F. In response, the

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- 1 Rand Paul Committee states that the website is owned and operated by "a spontaneous grassroots
- 2 supporter acting on his own accord." The Rand Paul Committee further states that this
- 3 individual is not a staff member of the Rand Paul Committee, or a formal campaign volunteer,
- 4 and that the website is not affiliated with the Rand Paul campaign. Rand Paul Committee
- 5 response at 6. We received no response from www.RandPaulGraphs.com.

6 It appears that the content displayed on the www.RandPaulGrapho.com website also fails

7 to meet the content prong of the test for coordinated companications because it is neither an

"electioneering communication" nor a "public communication;" we have no information

9 indicating that the website's content was placed for a fee on another person's website.

10 See 11 C.F.R. §§ 109.21(c)(1)-(4) and 100.26. In addition, 11 C.F.R. § 100.94 provides that

volunteer internet activities by an individual or group of individuals, "acting independently or in

12 coordination with any candidate, authorized committee, or political party committee" is not a

13 contribution by that individual or group of individuals. See also Explanation and Justification,

14 71 Fed. Reg. 18589 (April 12, 2005). Accordingly, we recommend that the Commission find no

reason to believe that www.RandPaulGraphs.com made an excessive contribution in violation of

2 U.S.C. § 441a(a), or that Rand Paul for U.S. Senate and Eric D. Strin, in his efficial capacity as

treasurer, necepted and failed to disclose an excessive in-kind contribution, in violation of

18 2 U.S.C. §§ 441a(f) or 434(b).

#### **B.** Alleged Disclaimer Violations

The complainant alleges that the Rand Paul Committee and several other respondents

21 failed to include the required disclaimers on communications, in violation of 2 U.S.C. § 441d

and 11 C.F.R. § 110.11.6 Many of these communications were attached to the Complaint as

2 Exhibit J and are appended hereto in Attachment 1. As discussed below, we believe these

allegations either lack merit or should be dismissed.

#### 1. Rand Paul Committee

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#### a. Mailers

The complaint alleges that the Rand Paul Committee sent mailers, see Attachment 1 at 1-10, that violated the Act because there is no printed box around the disclaimers appearing on the first page af each of the mailers, as required by 2 U.S.C. § 441d(c)(2) and 11 C.F.R. § 110.11(c)(2)(ii). The disclaimers are otherwise complete. Based on previous MURs with similar facts, we recommend that the Commission exercise its prosecutorial discretion and dismiss the allegation as to the lack of printed boxes on these mailers. See MUR 6274 (Miller) (Commission dismissed allegations that campaign materials lacked "printed box" disclaimers where the leaflets included the campaign's name and address); MUR 6153 (NMDLCC) (Commission dismissed allegations that campaign mailers had defective disclaimers including, inter alia, the lack of a printed box, where the mailer indicated it was paid for by the campaign committee); MUR 6260 (Radzkowski) (Commission dismissed allegations that fundraising letters lacked "printed box" disclaimers where the communications contained sufficient identifying information to prevent the public from being misled as to who paid for them).

The following types of communications require a "disclaimer" statement identifying the person paying for the communication: 1) Any public communication made by a political committee; 2) Electronic mail of more than 500 substantially similar communications when sent by a political committee; 3) A political committee web site available to the general public; or 4) Any public communication made by any person that contains express advocacy, solicits a contribution or qualifies as an "electioneering communication" under 11 C.F.R. § 100.29.

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b. Emails

The complaint also alleges that emails sent by the Rand Paul Committee, signed respectively by its political director, Andy Demers, and its campaign manager, David Adams lacked the required disclaimers. See Attachment 1 at 39-42. The Rand Paul Committee's response (which is also on behalf of David Adams) states that "to the extent that any emails were sent with insufficient discitimer language, such shortcomings veen inadvertunt and the compaign has since implemented precautions and retained legal coursel to ensure they will not recur." Rand Paul Committee response at 8. The email addressed to Rand Paul supporters and volunteers requests their participation in a rally and door-to-door voter data collection effort in Louisville, Kentucky on January 30, 2010. It does not contain a "paid for" disclaimer, which would have been required if more than 500 were sent. See 11 C.F.R. § 110.11(a)(2). The email, however, is headed with a banner reading "Rand Paul U.S. Senate 2010," and at the bottom contains the statement "Copyright C 2010 Rand Paul for U.S. Senate Committee. All rights reserved," indicating that the communication was paid for by the Rand Paul Committee. The Adams carail, hannared at the top "Rand Paul, U.S. Sciente 2010," and signed by Adams as compaign manager of the Rand Paul Committee, requests that supporters join a rally to counter a March 2, 2010 protest held by U.S. Senate candidate Daniel Mongiardo. See Attachment 1 at 41. At the bottom of the first page, printed in another font and apparently transposed onto the email, is the statement, "You are receiving this e-mail because you contributed are a Campaign For Liberty member" (sic). See id. The statement is followed by the mailing address and copyright of the "Rand Paul for U.S. Senate Exploratory Committee," indicating that this portion of the email was copied from an earlier email. The second page of

1 the document appears to be from the Campaign for Liberty website. While it appears that the 2 Rand Paul Committee supplied the content of the email, it is not clear whether the email was sent 3 to Campaign for Liberty members by Campaign for Liberty or the Rand Paul Committee. We did not locate any list rental payments by the Rand Paul Committee to Campaign for Liberty. 4 5 a 501(c)(4) lobbying organization that is not registered with the Commission. In its response, 6 Campaign for Liberty states only that "[i]hsofir as this allegation involves a missing disclahater. 7 that is a matter to be addressed by Rand Paul for U.S. Senate." Campaign for Liberty response 8 at 2. The Rand Paul Committee diri not specifically address this email in its response. If the 9 Rand Paul Committee directly seat more than 500 of these emails, it should have included a 10 "paid for" disclaimer. See 11 C.F.R. § 110.11(a)(1). In similar matters involving incomplete or 11 missing disclaimers, where there was sufficient information to identify the Committee payor, the 12 Commission has exercised its prosecutorial discretion and dismissed the disclaimer violation 13 allegations. See MUR 6278 (Segers) (Commission dismissed allegations that campaign flyers 14 lacked the requisite disclaimer where the campaign committee's contact information was 15 provided): MUR 6103 (Singh) (Commission dismissed the allegation that mailers did not include 16 the requisite disclaimer where some information identifying the committee was included). If the Campaign for Liberty seat the smail, no disclaimer was required, because the 17 18 organization is not a political committee, and the emails were neither "election ering 19 communications" nor "public communications." See discussion at Section II.A.1., supra. 20 To the extent the Rand Paul Committee sent the emails signed by its political director and 21 by Adams, the possible violations depend on how many communications were sent. We do not 22 think an investigation seeking this information is worth the use of the Commission's limited

resources, because the associated costs of the emails were likely de minimis. Accordingly, based

§ 441d or 11 C.F.R. § 110.11.

1	on the available information, we recommend the Commission exercise its prosecutorial
2	discretion and dismiss the allegations that Rand Paul for U.S. Senate and Eric D. Stein, in his
3,	official capacity as treasurer, violated 2 U.S.C. § 441d and 11 C.F.R. § 110.11 with respect to the
4	emails, see Heckler v. Chaney, 470 U.S. 821 (1985), and find no reason to believe that Campaign
5	for Liberty and John Tate, its president, violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11. Since
6	David Adams, who was separately notified, apparently acted on behalf of the Fand Paul
7	Committee in sending the amail he signed, he does not appear to have personal liability, and we
8	recommend the Commission find ne reason to believe that David Adams violated 2 U.S.C.
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c. Television and Radio Advertisements and Robo-Calls

The complaint also alleges that an otherwise unidentified Rand Paul television advertisement lacked the required disclaimer, but included neither a copy of the ad nor a transcript. Complaint at 6. According to the complaint, the ad indicates that the Rand Paul Committee approved the advertisement, but does not contain a statement by the candidate himself, as required by 11 C.F.R. § 110.11(c)(3). Id. We have been unable to locate a transcript or virleo of any advertisement with a faulty disclaimer. The Rand Paul Committee's remonse states that it is maxware of any disclaimer issues with any of its broadcast advertisements. Rand Paul Committee response at 9. Further, all the other television ads available on the Rand Paul campaign website include the proper disclaimers, and the complaint provides no information to support its allegation that there was one that did not. See http://www.RandPaul2010.com.

Additionally, the complaint alleges that specified radio advertisements and robo-calls, included on CD-ROM as part of Exhibit J to the complaint, lacked the required disclaimer.

However, these ads and calls in fact contain disclaimers, as Rand Paul is heard on each saying,

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- 1 "I'm Rand Paul, a doctor, not a career politician, and I approve this message." Accordingly, we
- 2 recommend that the Commission find no reason to believe that Rand Paul for U.S. Senate and
- 3 Eric'D. Stein, in his official capacity as treasurer, violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11
- 4 in connection with the advertisements and calls referenced in the complaint.

## 2. www.RandPaulGraphs.com and www.RandsTeaParty.com

The complaint affeges that the www.RandPaulGraphs.anm and www.RandsTeaParty.com websites included certain communications that required disclaimers. See Complaint at Exhibit J and Attachment 1, pages 22-34. Neither website responded to the complaint.

The www.RandsTeaParty.com website explicitly states that it is "not paid for, affiliated with, or authorized by any candidate or candidate's committee." The Rand Paul Committee Response, as noted in Section II.A.4., *supra*, stated that the website was not affiliated with the campaign.

It appears that the websites' communications are exempt from disclaimer requirements because they are not "electioneering communications" or "public communications" under 11 C.F.R. § 100.26, and we have no information suggesting that any of them were placed for a fee on another person's website. See 11 C.F.R. § 110.11(a), and discussion at Section II.A.1., supra. Therefore, we recommend that the Cenamission find no reason to believe that either www.RandPaulGraphs.com or www.RandrTeaParty.com violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11.

<sup>&</sup>lt;sup>7</sup> Similar to the website content of www.RandsTeaParty.com and www.RapndPaulGraphs.com, the Twitter and Facebook communications included in the complaint appear to be squarely exempt from disclaimer requirements because they are not electioneering communications and are not public communications under 11 C.F.R. § 100.26, as the available information does not suggest that any of these communications were placed for a fee on another person's website. See 11 C.F.R. § 110.11(a); see Complaint at Exhibit J and Attachment 1, pages 21-33.

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## 3. Newspaper Advertisement

The complaint alleges that a newspaper advertisement dated December 12, 2009, "overtly supporting Rand Paul over other candidates," lacks the required disclaimer. Complaint at 5. see Attachment 1, page 11. The advertisement, which ran in the Kentucky Enquirer on December 11, 2009, states "Watch our next U.S. Senator, Dr. Rand Paul, 'On The Record' program with Pat Cruwley ICN6," and lists sownal broadent times on December 12 and 13. It contains no disclaimer. We have no information as to who placed this newspaper advertisement. If the television station placed the advertisement, it would be exempt from the disclaimer requirements. See AO 2010-08 (Citizens United) (costs of producing and distributing films and associated marketing activities are exempt from disclosure, disclaimer and reporting requirements for "expenditures" and "electioneering communications" under the press exemption). The Rand Paul Committee does not address the newspaper advertisement in its response. If the Rand Paul Committee placed the ad as alleged by the complaint, it would have required a disclaimer. 2 U.S.C. § 441d; 11 C.F.R. § 110.11. We do not think it is worth the use of the Commission's limited resources to investigate who placed this advertisement. See Heckler v. Changy, 470 U.S. 821 (1985). Therefore, we recommend that the Commission dismiss the allegation that Rand Paul for IJ.S. Senate and Eric D. Stein, in Itis official capacity as treasurer, violated 2 U.S.C. § 441d and 11 C.F.R. § 110.11 as to the specified newspaper advertisement. C. Non-Disclosure of Rental Payments The complaint alleges that the Rand Paul Committee failed to disclose rent paid to Alchemy, LLC for the use of campaign office space. See Complaint at 4-5. Alchemy is a Kentucky limited liability company with two members, Dr. Rand Paul and his wife. Rand Paul

Committee response at 7. Dr. and Mrs. Paul each own a 50% share in Alchemy, LLC and treat it

1 as a partnership under the tax code. Id. Because of this treatment, Dr. and Mrs. Paul believed 2 that in-kind contributions from Alchemy, LLC were permissible provided they were within the contribution limits. "Id. See 11 C.F.R. § 110.1(g)(2) (a contribution by an LLC that elects to be" 3 4 treated as a partnership by the I.R.S. shall be considered a contribution from a partnership 5 pursuant to 11 C.F.R. § 110.1(e)). Although the Rand Faul Committee did not initially disclose any in-kirld contributions from Alchemy, LLC on its FEC Reports, it acknowledged the cruss in 6 7 its response and stated its intention to amend its reports so they properly reflect the contribution 8 of the office space by Alchemy. Rand Paul Committee response at 7. It subsequently amended 9 its 2009 Year-End Report to disclose an in-kind contribution by Alchemy, LLC in the amount of 10 \$332.10, and amended its 2010 April Quarterly Report to disclose an in-kind contribution by 11 Alchemy, LLC of \$371.46.8 Based on the information available, it appears that Alchemy, LLC's in-kind contribution 12 13 to the Rand Paul Committee is within the Act's limits. Therefore, we recommend the Commission find no reason to believe that Alchemy, LLC violated 2 U.S.C. § 441a(a). Although 14 15 the Rand Paul Committee failed to timely disclose the in-kind contributions, given the relatively low dollar amount involved and the amendments filed by the Rand Paul Committee, we 16 17 recommend that the Commission exercise its prospensarial discretion and dismiss the allegation - 18 that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, violated 19 2 U.S.C. § 434(b) by not disclosing Alchemy, LLC's in-kind contribution, and send a cautionary

letter. See Heckler v. Chaney, 470 U.S. 821 (1985).

Sebsequent disclosure reports do not show additional in-kind contributions from Alchemy, LLC; however, they do show in-kind contributions in the form of rent from Perkins Family, LLC.

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## D. Alleged Corporate Contributions

2 The complaint alleges that the Rand Paul Committee and Owensboro Dermatology 3 Associates, P.S.C. ("ODA"), a corporation, violated 2 U.S.C. § 441b because the Rand Paul 4 Committee failed to reimburse ODA for expenses for an open house at ODA's offices at which 5 Rand Paul was a featured guest. Section 441b prohibits corporations from making contributions 6 in connection with federal elections, and prohibits candidates and their authorized commitmes 7 from accepting such contributions. According to the ODA respense, Owenshore Decreatelogy Associates is a professional services corporation with two shareholders. 9 8 9 The complaint contains ODA's invitation to the event, which states "Come mingle with 10 fellow medical community members and meet the Republican Candidate for U.S. Senate Rand 11 Paul, M.D." See Complaint Exhibit J and Attachment 1 at pages 36-37. ODA states in its response that it held an open house in its offices "for members of the Owensboro medical 12 13 community" in order to give ODA staff and "the local medical community" the opportunity to meet Rand Paul. ODA Response at 2-3. However, the Rand Paul Committee website described 14 15 the event as follows: "This Tuesday, Dr. Paul will attend a Meet and Greet at Owensboro 16 Dementology Associates located on 2821 New Hartford Road in Owensboro. The event is open 17 to the public and begins at 6:00 PM and ends at 7:30 PM." 18 See http://www.randraul2010.com/2009/08/rand-focusing-in-on-daviess-county/ (last checked 19 January 19, 2011). 20 According to the ODA response, Commission regulations do not preclude a federal

candidate from attending a meeting on corporate premises, and cites to 11 C.F.R. § 114.4(b)(1)

<sup>&</sup>lt;sup>9</sup> A search of the brehess recoult of the Kentuzky fineretary of State custimus that Owneshoro Dermatology Associates, P.S.C. is registered as a for-profit professional services corporation.

as support for that proposition. Id. at 3-4. While correct, that section of the Commission's 1 2 regulations is only applicable to candidate appearances in connection with communications by a 3 corporation or labor organization to the restricted class and employees beyond its restricted class. 11 C.F.R. § 114.4(b)(l). Nor does section 114.4(c) of the Commission's regulations cover the 4 5 ODA event. That regulation provides a limited number of permissible corporate 6 communications to the general miblic, incitating registration and voting communications, unting 7 records, vator guides and electioneering communications, but hosting candidate appearances at 8 the corporate facility is not among them. See 11 C.F.R. § 114.4(c)(2)-(5) and (8). 9 Section 114.4(c)(7) of the regulation permits candidate appearances on educational institution premises, subject to specific guidelines, but ODA is a medical office, not an educational 10 11 institution. 12 The ODA response also contends that the open house did not violate 2 U.S.C. § 441b(a) 13 by facilitating the making of contributions to the Rand Paul campaign. The invitation to the 14 event did not solicit contributions to the Rand Paul campaign. See Complaint, Exhibit J and 15 Attachment 1 at pages 36-37. Moreover, the ODA response states that neither it nor anyone else 16 solicited contributions, either in conjunction with the distribution of the invitations to the event 17 or at the event itself. ODA response at 4. We have no informating to the contrary to suggest that 18 ODA facilitated the making of contributions to the Rand campaign. 19 Although we have no information suggesting that there was any fundraising in · 20 connection with the ODA event, that fact alone is not dispositive of whether the event was "in 21 connection with a federal election" for purposes of section 441b. See Advisory Opinions 1996-11 (National Right to Life), 1992-06 (Duke), 1990-05 (Mueller), 1988-27 (Medivision), and 22

1986-26 (National Conservative Fund) (the absence of solicitations or express advocacy will not

- 1 preclude a determination that public appearances by candidates are campaign related). Here,
- 2 where the campaign posted the invitation on its website, stated that the candidate would appear,
- and that the event was open to the public, it appears that, at least from the Committee's
- 4 perspective, the ODA open house was "in connection with an election" for purposes of
- 5 section 441b.

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821 (1985).

We do not know whether ODA was aware that the campaign had posted its invitation on the Committee's website and invited the public, and we have no information regarding the number of attendees, the costs incurred by QDA to host the event, or the cost of the invitation, though it is likely, given that the event was held at ODA's own offices, that the costs were relatively low. Therefore, we do not believe it would be an efficient use of the Commission's limited resources to investigate the circumstances of this event further. Accordingly, we recommend the Commission exercise its prosecutorial discretion and dismiss the allegation that Owensboro Dermatology Associates, P.S.C. and Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, violated 2 U.S.C. § 441b(a). See Heckler v. Chaney, 470 U.S.

The complaint also alleges that ODA's invitation to the event required a disclaimer.

See footnote 6, supra. As the invitation did not solicit contributions, expressly advocate the election of a clearly identified candidate, see 11 C.F.R. § 100.22, or constitute an "electioneering communication," it did not require a disclaimer. Accordingly, we recommend that the Commission find no reason to believe that Owensboro Dermatology Associates, P.S.C. violated

An "electioneering communication" is defined as a broadcast, cable or satellite communication that refers to a clearly identified indexal conditions and is distributed to the relevant election or 30 days before the general election. 2 U.S.C. § 434(f)(3); 11 C.F.R. § 100.29.

- 1 2 U.S.C. § 441d or 11 C.F.R. § 110.11. Finally we recommend that the Commission close the
- 2 file as to all respondents.

## III. <u>RECOMMENDATIONS</u>

- 1. Find no reason to believe that Rep. Ron Paul or the Committee to Re-Elect Ron Paul and Lori Pyeatt, in her official capacity as treasurer, violated 2 U.S.C. §§ 434(b) or 441a(a);
- 2. Find no reason to believe that Coalition Opposed to Additional Spending and Taxes Candidates PAC, and Mark Miller, in his official capacity as treasurer, violated 2 U.S.C. §§ 441a(a) or 441d or 11 C.F.R. § 110.11;
- 3. Find no reason to believe that www.RandPaulGraphz.com violated 2 U.S.C. §§ 441a(a) or 441d or 11 C.F.R. § 110.11;
- 4. Find no reason to believe that Rand Paul or Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, violated 2 U.S.C. §§ 434(b) or 441a(f) in connection with alleged coordinated communications;
- 5. Dismine the allegations that Rand Paul for U.S. Senete and Eric D. Stein, in his official capacity as treasurer, violated 2 IJ.S.C. § 441d and 11 C.F.R. § 110.11 with respect to its mailers and email communications;
- 6. Find no reason to believe that Campaign for Liberty and John Tate, its president, violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11;
- 7. Find no reason to believe that David Adams violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11;
- 8. Find no reason to believe that www.RandsTeaParty.com violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11;
- Find no reason to believe that Rand Paul for U.S. Senate and Eric D. Stein, in his
  official capacity as treasurer, violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11 in
  connection with the specified television and radio advertisements and robo-calls;
- 10. Dismiss the allegation that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, violated 2 U.S.C. § 441d and 11 C.F.R. § 110.11 as to the specified assuspaper advertisament;
- 11. Find no reason to believe that Alchemy, LLC violated 2 U.S.C. § 441a(a);

1 2 3	12. Dismiss the allegation that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, violated 2 U.S.C. § 434(b) in commention with the in-kind contribution from Alchemy, LLC, and send a caution letter;				
4 5 6	13. Dismiss the allegation that Rand Paul for U.S. Senate and Eric D. Stein, in his official capacity as treasurer, violated 2 U.S.C. § 441b(a);				
7 8 9	14. Dismiss the allegation that Owensboro Dermatology Associates, P.S.C. violated 2 U.S.C. § 441b(a);				
10 11 12	15. Find no reason to believe that Owensboro Dermatology Associates, P.S.C. violated 2 U.S.C. § 441d or 11 C.F.R. § 110.11;				
13 14 15	16. Approve the attached Factual and Legal Analyses;				
16 17	. 17. Approve the appropriate letters; and				
18 19 20	18. Close the file as to all respondents.				
21 23	Christopher Hughey Acting General Counsel				
23 24 25 26 27 28	Date  BY: Susan L. Lebeaux  Acting Associate General Counsel for Enforcement				
29 30 31 32 33	Winh allen  Mark Allen  Assistant General Counsel				
34 35 36 37 38	April J. Sands Attorney				
39 40 41 42 43	Attachments:  1. Complaint Exhibit J documents				

## RAND PAUL

## **U.S. SENATE 2010**

Dear Friend:

Big Government, Big Media and Career Politicians have grown quite comfortable with Congress by, for and of the special interests.

Our payback is coming.

As I like to tell folks at events, we're coming to take our country back!

Because of the hand work of thousands of "leave me alone" individuals, we have a real chance to win in Kentucky.

And we have the establishment scared to death.

Just a few months ago, my campaign was dismissed, and the ideals you and I treasure were ridiculed and derided. But today, it's a different story.

I've traveled to every section of Kennucky. I've given over 150 speeches and this hard work is sharing dividends. (see adjacent poli results)

I think you've probably seen some of the headlines, but if not, I'm writing to tell you two things: The momentum is on our side. And you have I still have a LOT of work to do to win this race to be the next Senator from Kentucky.

First, I want to thank you. Friends like you launched this campaign, helping me relacing meanly \$1 million in the first six months. That's almost unheard of.

Support among likely GOP Primary Voters

50%

600

25%

Rand Paul

Trey Greyson

Then, knowing he had real temble on his Source: Public Policy Poling, Dec. 22, 2009 hands, my opponent, the handpicked choice of

DC insiders, began attacking me. That's how the career politicians act.

You know the drill. My policy positions were twisted and mischaracterized and attacked. I was attacked for having the gall to criticize the Bank Bailout and let voters know that many Republicans voted for it.

My opponent attacked me by claiming that I was not a Kentuckian. I reminded the voters

(Over, please)

A TRUE CONSERVATIVE, A REAL REPUBLICAN

Paid for by Rand Paul for U.S. Senate

RANDPAUL2010.COM

Exhibit .

that "I've been a Kentuckian longer than he's been a Republican." I reminded voters that my opponent was until fairly recently a Democrat and had publicly supported Bill Clinton.

Fortunately, folks so far have been able to see through it all. In fact, all they've done is shine the light on my upponent's record, views and Big Government buddies.

As you know, the establishment loves telling candidates like me with pro-freedom views that we "can't win." They toll us while they may "agree" (sometimes) with our views, they've decided to be "practical" and support more "moderate" candidates who can "appeal to everyone" and who can "beat the Democrats."

When I hear that I just roll my eyes. I know you do too.

This is a race you and I CAN win. And one we shoply must.

And it's finny, even the noils show it new — in the most rement polls, I'm ahead of BOTH potential Democrat opponents.

But our work is just beginning. And I hope you'll keep fighting with me as we get closer and closer to election day.

We have to be prepared. My opponent is no doubt readying his vicious TV ads to try to tear us down with lies and distortions.

I have my sais ready to go - some will even be up my you wad this.

But to make sure I can run them as widely as possible, I'm going to ask for your help again.

In March, supporters of mine are having a one day "GIVE ME LIBERTY" moneybomb.

As you may know, March 23rd is the anniversary of Patrick Henry's famous speech that launched a revolution and helped give us our freedom.

I can't think of a better day to kick off the final stretch of the campaign. Because that's what this campaign is about.

Liberty. Taking back our government.

I'm just one man of course. But the great thing is in our system, one man with principles and guts can do a lot.

As you know, one U.S. Senator can clearly be the difference in many of the battles you and I are fighting for freedom right now.

The truth is, folks around the country are getting fed up, and they're thirsting for our limited government, pro-freedom message. People are joining our fight and rallying to our message. It's not have to see why.

Out national debt is over \$12 TRILLION dollars. Unemployment is in double-digits

nationwide with no real end in sight.

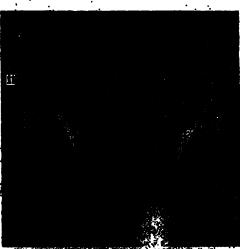
Recently, economic forecasters were saying we were beginning to turn a corner economically, and we should be "out of the woods" in just a few months.

Now, they're saying that maybe we were right that President Obama's \$787 BILLION dollar stimulus might not have worked as kaped — and that even more economic gloon is likely on the way.

Imagine that.

Isn't it funny how taxing, spending and borrowing doesn't cure economic woes caused by taxing spending and borrowing!

Needless to say, if elected, I won't march to the beat of the same old Big Government drums. If elected, I will work hard to:



My father Kon and mother Carol with my wife Kelly and me

- Defeat and, if necessary, work to.
   REPEAL Big Government schemes like the "Cap and Tax" Bill, socialized medicine and the PATRIOT act;
- Stop the growth of government spending, restrictive regulations and involvement in our lives:
- Audit the Federal Reserve which, I believe, will serve as an important first step toward finally ending the Fed once and for all;
- <u>Cut taxes</u>: the money you earned is yours -- not some Washington, D.C. politician's or bureaucrat's. And we have to starve this federal beast, cutting off the source of its power;
- Support to storight Balanced Budget Amandiment that could not be broken except for in times of DECLARED war so politicides wen't be tempted to keep spending like dranken sailors;
- Stop corruption in government by fighting for term limits and by specifying that any company receiving federal funds could not lobby the federal government for the duration of the contract.

Of course, my strong positions aren't making me friends everywhere. As I told you, the Washington, D.C. political establishment is determined to destroy my campaign — not so mention the ideals that you and I stand for.

But they're frightened of my campaign. They've been frightened ever since people started fighting back through the Tea Parties and other public protests and town halls. They know we're coming to take our government back.

Exhibit J

To win though, there's much more work to be done. There's many more attacks coming, and there's still many more folks out there I need to reach with my pro-freedom, strong conservative message.

So today, I hope I count on you to support my campaign for U.S Senate.

Of course, \$2,400 per person (\$4,800 per married couple) is the maximum contribution

legal under federal law. But whatever you can do — \$560, \$250, \$100, \$50, wr \$35 — will help tremendously.

I'd especially like to ask you to join in the next "money bomb" for my campaign on March 23rd.

If you join fellow supporters in this one day fundraiser, we can once again show the establishment their high priced lobbyists and special interest money desan't scars us.



Me speaking at a Tea Party rally

Your support on March 23rd will ensure that our campaign has the needed funds to go up on the air with hard hitting TV ads, and has the ability to begin mail and in person contact with as many voters as possible before the May 18th primary.

We know the uther side will have their money. They always do.

And I'm afraid of what will happen because the establishment is so scared of our campaign.

It's not just the other campaigns. You and I both know that big-money special interests can come in with millions of dollars of so-called "Independent" ads and try to overwhelm us near the end.

I don't want to see that happen.

I'm hopeful that with your help, I'll be victorious in my race for the U.S. Senate and that I will truly ignite a firestorm for liberty all over the country.

In fact, I'm hopeful we're doing that. And I'm hopeful we can win this race. But I can't do it without your help.

So please rush me your most generous contribution of \$500, \$250, \$100, \$50 or \$35, or donate online on March 23rd!

Yours in Liberty,

Rand Paul

1332 Andrea Street

Bowling Green, KY 42104

Paul MD

Y 17

# Rand Paul for U.S. Senate Statement of Support

From:

Rand Paul for US Senate

	Bowling Green, KY 42104				
Comments.	Please add my email address:	tö yöur alert list: <u>                                     </u>			
	-Dear Rand,	·			
	I agree! With your pro-liberty mess notice and is running scared. That's why it's	age gaining support, the Washington establishment has taken so critical we keep up the momentum.			
	America needs someone who will speak the truth; someone who will make the right choices, however difficult or unpopular they might be. We need a real defender of the Constitution in the Senate. I believe you will be that kind of Senator.				
	Since the support of the national liber you with a generous donation of:	ety movement is vital to your summers, I'm ready to support			
	<b>\_</b> \$25 \ \$50	\$75 Other \$			
and seem of soliton	Employer:	Occupation:			
ar Australia Specialis Sal	FEC restricts contributions to no more th	an \$2,400 from an individual and \$4,800 from a couple.			
on the second	Please make your check payable to: or fill out the credit card form below	"Rand Paul for U.S. Senate"			
	Credit Card Donation	Mastercard Discover American Express			
	Card #	Amount: \$ Expiration Date: \$			
٤.	Signature:	Date:			

Contributions or gifts to the Rand Paul for U.S. Settate are not deductible as charitable contributions for Federal income tax purposes.

Exhibit .

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- 3. A multi-trillion-dollar bailout of the martgage industry.
- 4. A proposed multi-trillion-dollar nationalization of our country's health care system.

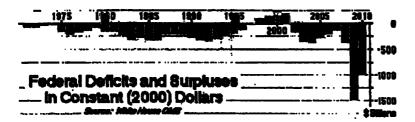
What is possibly most shocking about these events is the number of supposed leaders in the Republican party who back those attockes attacks on the continued and on our libertue.

Sadly, many entrenched politicians from both sides of the aisle support these policies. (One notable exception was Kentuskyls own Senatur Jiro Buneing. We as Kentuskians can be very pasual of his long-standing support for the constitution affective rights and liberties of Kentuckians!)

I believe it is vital Kentucky replace Senator Bunning with someone who will stand up and fight. If you believe this too, I ask you to give me your support.

I'm not a career politician. I'm an eye surgeon in Bowling Green, KY. I'm a small businessman. And I don't intend to become a politician for life. I believe that citizens should serve for a while and then return to live white the laws they create. I believe in term limits.

I'm a lifetong, many-generation Republican. At 13, I standed the national Republican Convention in 1976 when my father was one of only four Republican Congressmen to endorse Ronald Reagan.



Our county is drowning in a sea of debt. This year the debt will be 13% of GNP. Federal Spending will be 28% of GNP. Both are at historic highs. Many say that litture generations will pary for this debt. But the damper is even more imminent.

To pay for the debt, we doubled the monetary base last year. Through fractional reserve banking, that base can multiply another ten-fold as it leaks into the economy.

We may begin to pay for this massive debt in the near future through significant inflation. I predict we will see prices rising as fast assiney did in 1979 or worse within two years.

If you are like me, frustrated by years of Republicans telling us they will balance the budget and then going off to Viashington and wring for the same point trained programs the Dismocratic give us, consider supporting my rain for effice.

There are two ways a Republican can win a general election in KY. First, you can give up your principles and run to the center: adopt the Democrat platform and promise that you can get even more federal projects than the Democrats. Or, you can stay true to your principles and present our ideas and platform in a way that appeals to independents and moderates.

We may the many of these independents by appearing not to care or act in a fiscally responsible way. The public sees us as being in favor of tax cuts but not buing in favor of or voting for miduations in featural entending.

Many independents are simply frustrated fiscal conservatives who no longer believe that Republicans will write fair balanted budgets.

(Oyer, please)

## RAND PAUL

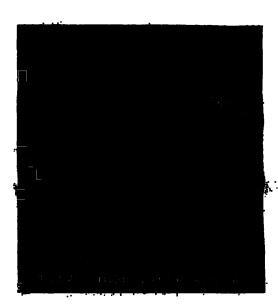
## U.S. SENATE 2010

Dear Fellow Republican,

In just the past 3 months, I've traveled to over 20 sounties and spaken to theusands of Republicans. But I've yet to meet ONE of them who supported the Bank Ballout.

Unfortunately, over half our Republican "leadership" voted for this 1100-page monstrosity, which allows government for the first firms to buy and own private businesses. And this wasn't just for banks — the sufficiential industry and even minerity broadlesses and now taking for makey from the Bank Balkaut.

My name is Rand Paul, and I'm running for the US Senate — I absolutely would have voted no to the Bank Ballout Bill and I've said so from the beginning.



Our Republican Platform specifically says we don't believe in bailing out failed businesses. We need leaders who say attention and support our platform.

You see, the timels came more and many guary day.

The Bank Ballout Bill may have been the worst piece of legislation in a generation. Not only does it allow direct government ewnership of banks, but it is being interpreted to cover almost anything.

But there's more coming. That's why it's so important Kentucky send a true small-government constitutionalist conservative to the Senate this year.

When Congress voted against bailing out the automobile industry, the administration used the Bank Balliust to the community in the automobile community, was though the ingletation never mentions communities.

President Obarna, in turn, used the Bank Ballout Bill to modify Chrysler's bunkruptcy to allow the AFL\_CIO union to leaping usual bankruptcy law, essentially stealing funds that should have gone to preferred bondholders like the Teacher's Pension of Indiana.

The Bank Ballout Bill is the "gift" that keeps on giving. And not enough Senators in Washington DC are fighting OUR ballies.

It is now very clear. Our Republican Primary for the US Senate in KY will be a titanic struggle between the insiders and the outsiders. Between those who want lower taxes and those who

(Over, plause)

A TRUE CONSERVATIVE, A REAL REPUBLICAN

Peld for by Rand Paul for U.S. Senets

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don't. Between small government and big government. Between those who will fight to rain in an out of control Fad and those who won't.

The insiders don't stand for anything. They just want to maintain their power. It multiple not to them what a cardidate stands for, only that the cardidate have an 'R' after their name.

I'm here to say that the Republican Party is an empty vessel unless we actually make that 'R' mean sampthing.

During eight years of Republican control of the White House, the Senate, and the House of Representatives, the Federal Debt doubled from \$5 trillion to \$10 trillion.

As a party, we have been good at voting against higher taxes but not so good at voting against deficit

The deficit this year will be \$1.75 trillion dollars. Every Republican in the House voted against it. But do you know what the Republican alternative was? A \$500 billion dollar deficit. If I'm elected I will make the Republican alternative a Balanned Budget, every year.

### if elected | will: -

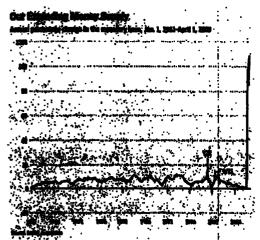
- Vote against any Budget, Republican or Democrat, that is not balanced.
- Amend every Appropriations bill to reduce spending by the percentage necessary to balance the frudget.
- Vote against any bill that reises twom on American citizens or businesses.
- Vote against any bill to raise congressional salaries.
- Read every place of legislation 1 vots for.
- \_ Vote against any Bill which restricts a person's right to bear arms.

Do you ever would why the problems of big government never improve? Even when we think we eject leaders that will change things, the deficit worsens and government grows.

Maybe it's because we keep electing the same kind of folks, career politicians who have been feeding at the public trough their entire adult life. It's not a Democrat/Republican thing: It's about deciding on career politicians versus citizen stateemen.

Since President Obama's inauguration, the "change" to our country and to our liberties has been shocking in its willings and magnitude. During trides months alone, we have seen:

- 1. A month-hundred-billion-dollar ballout and partial nationalization of the automobile industry.
- 2. A multi-handred-billion-dollar incilinat and partial nationalization of the financial services and banking industries.



Republicans must regain our believability as a party if we wish to regain a majority in either the House or the Senate.

Likewise, I am confident you and I can grow the Republican Party by articulating that the debt is ultimately financed by printing murey and that it leads to higher prices in the grocery store or at the pump.

The folks that get hurt most by inflation are the working class and senior ritizens on fixed incomes, precisely the groups that Democrats continue to attract more than Republicans.

I think our message doesn't need to be about handouts but rather how big government and debt causes prices to rise for consumers. I believe most working folks are proud and not looking for a namny state that coddles them from tradie to grave. I think these folks will cause to the Republican party in droves if we articipate our message better.

I lenter I can win this seat baseuse I don't see issues as Republican or Democrat. I see things not strictly in partisan terms but in terms of limited government or expansive government, freedom or state power.

I will raise the money necessary to win from Kentucky and around the nation. Since beginning this race, I have appeared on national TV five times and on national radio and print over 100 times.

But I can't wie without you.

I can win if you, the Republican party primary voter, decide that no one in DC is going to tell you how to vote and that you want to send a message not just to Washington but to our Party that we want truly conservative, ilmited government, Jeffersonlan principles to represent our party.

I'm asking for your help. The establishment and the powers Status the status.

quo and threatens the parer of lociders. Please send in your contribution, big or small, or simply send in the volunteer form so we can count you in our fight for limited federal government and liberty—and the prosperity they make possible for all.

In Liberty, Canada Rand Paul, M.D.

. I'm running for the US Senate in KY to take on the Washington establishment and stand up for constitutional government and liberty — principles which matter to the people of Kentucky. I want to work for you, not any special interest.

I hope you'll join my fight against the Big Government Beltway insiders by returning your volunteer form, and if you can afford it, including a generous contribution to my campaign.

## RAND PAUL **U.S. SENATE 2010**

Employer:

1. 17 mm

Declaration of Support Form				
133	Rand Paul 32 Andrea Street wling Green, KY 42104	ET.	• •	
Dear Ran	d,			
American	greet Establishment politicians in both partic s citizens. Republicans are supposed to sta insiders in Washington are completely out o	nd for fiscal restraint and limited	government,	
Senate. M	e need e truly conservative, limited governm lost importantly, we need a regular Kentuck I you to Washington by:			
	☐ Voting for you on May 18th, 2010 in the	Republican Frimary.		
	☐ Placing a Rand Paul for U.S. Senate si	ign in my yard.		
•	□ Volunteering for your campaign.			
	You can call me at:	(Phone #)		
	☐ Making a generous contribution of: \$ _	<del></del>	militari en es es	
. •	Please make checks payable to "Ra	nd Paul for U.S. Senate"		
	Contributions are limited to \$2,400 for indi	viduals and \$4,800 for couples.		
	derai Election Law requires that we collect t denor giving over \$200. This information is			

ANDPAUL2010.COM

Paid for by Ramil Rmil for U.S. Senate

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se of those relationane other collaboraes came up. One of a is to see whether it ruse for us to comations in Warren and unties," Jewett said, om line is can we ruter service for the ries that we collecte in a more efficient in wage that made

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rganizations have reparing for the case it happens. ing to Sams, Mauexecutive director ther County United Mike Schepers, Her it in Warren Councen interviewed for on of interim direc<sup>3</sup> A Unique Shopping Expedence. <sup>3</sup> With A Charmine Mrx Of Obl & Newt

This Holiday Season, Shop with us at Violet's Cottage







Home Decor Vintage Accents Florals & Gifts

859-131-5755

3511 Anderson Rd. • Crescent Springs, 8



The Enquirer/Jeff Swinger anager Kevin Stacy Side apartment.

to Care.com

Watch our next
U.S. Senator,
Dr. Rand Paul,
"ON THE RECORD"
program with
Pat Crowley ICN6

Sat 12/12 11:00-11:30am ICN6

Sat 12/12 2:30-3:00pm ICN6

Sat 12/12 7:00-7:30pm ICN6

Sat 12/12 10:00-10:30pm ICN6.

Sun 12/13 8:30-9:00am ICN6

ATTACHMENT 1 PAGE 11 OF 42.

# C.O.A.S.T.

## Citizens Organized Against Additional Spending and Taxes

August 3, 2009

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Dear

A 160 . 20. 20

Most often, when we write you a letter about someone, we're writing about their votes for higher taxes, or other ways in which politicians sell out the taxpayers.

Today, we're writing about something a little different.

Some men and women in public life go so far above and beyond as heroes of the taxpayers, that they deserve to be recognized.

One of those very special few is Dr. Rand Paul

That's why today, Citizens Organized Against Additional Spanding and Taxes is excited to bestow the Taxes Personal Award upon Dr. Rand Paul for his fifteen years of leading the fight lower taxes in Kentucky,

Rand Paul founded the grassroots action group Kenticky

Dr. Paul's coalition of temperer produces and distributes a subject with the subject and subject to the subject

A Exert Single legislator is tanked on tax and spanding issues each medicin. These tankings have then in turn been to intown. We have the first Government allies in Frankfort

These ratings ship votes have often been used by groups and candidates to unseal thereal state legislators.

For example, in Brett Guthrie's first page for the State

Pall for by Chiping Organized Against Additional Spinding and Taxes.

Senate, Rand Paul KTU helped persuade Brett to sign the pledge.

His opponent refused and KTU placed targeted radio ads in the final days of the campaign.

Guthrie's challenger called and complained that he'd never received the pledge. KTU produced a signed mail receipt with the candidate's wife's signature. With 24 hours to go until the election, the candidate capitulated and signed the pledge and the ads were pulled. Guthrie won the race by 124 votes.

Many state legislative races were won by using the Taxpayer Scorecard in campaigns.

state legislators on their voting record on tax and spending issues.

One candidate, Faul Marcotte of Northern KY, produced a campaign brochure headlining that his opponent got a ZERO from Kentucky Taxpayers United Paul Marcotte won that race and served several terms in Trankfort.

In addition to his efforts with KTU, Rand Paul has also been a frequent guest in the media, including on Kentucky Tonight with Bili Goodman and has become a well known political analyst because of his work on the Taxpayer Pledge.

Some of the modes elite, doing the bidding of the Big Government Liberals, have driticized Dr. Paul for his "absolution" stand on raising taxes.

Sant les Temperate that II we conclude that government a serie to perform of eastpasses that a serie the passes that there are many absolutes worth despirating, sucluded the first amendment. We never backs down from defending series y Taxagers

The bame ways many of us believe that even a bistle semisorably as wrong many of us in the "as movement believe that government besignown so ingredibly large that may call to increase taxes is stong

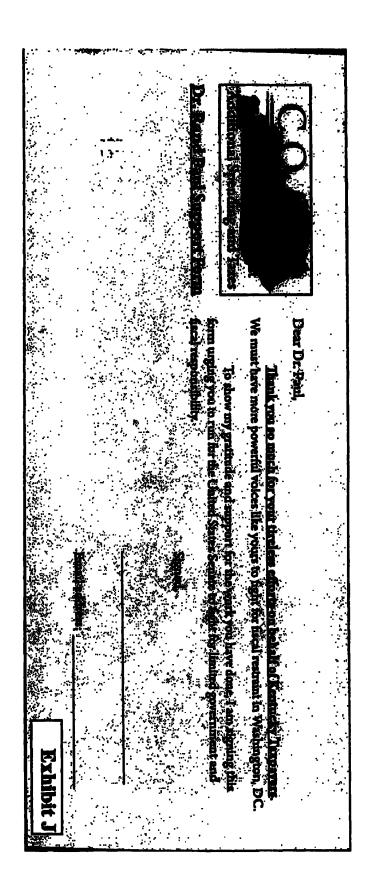
Particularly, since even stable rates contibut to provide an increased

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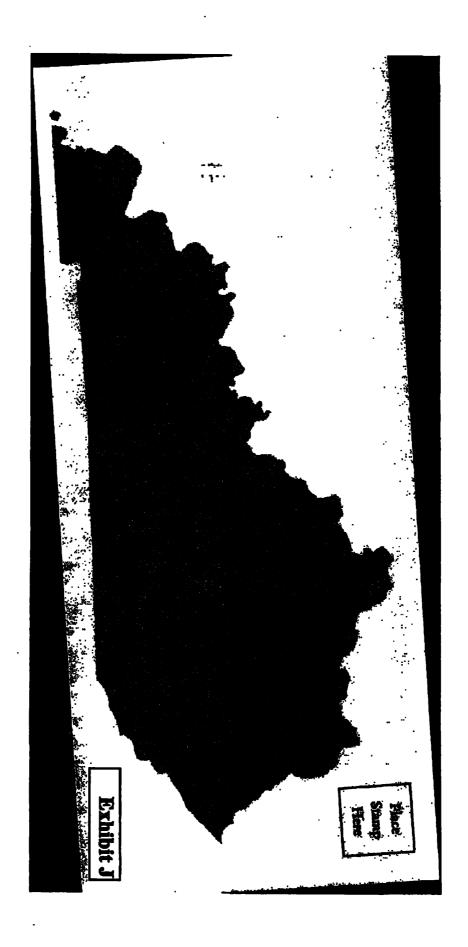
on average over 4% per year without raising rates. In the recent budget battle in Frankfort, Rand Paul led the day in the recent budget battle in when many Republicans days in de adainst raising taxes even when many Republicans In the recent budget battle in Frankfort, Rand Paul led the when many Republicans gave in charge against raising taxes even when many Republicans Dr. Paul wrote an editorial that was quoted in statewide of Republicans of whatever happened to Republicans of the Party shortfall?"

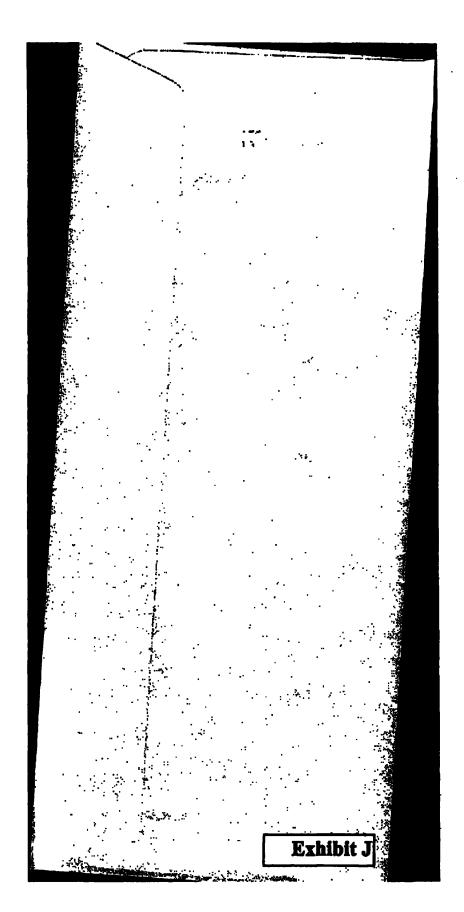
budgetary shortfall?" Dr. Paul Rointed out that the so-called shortfall was merely about increases in spending. TOT these reasons and many more constitution and a reduction in brobosed increases in spending. contact Rand Rawless was a voice in Washington, please have a voice in Washington, please have a voice in Washington, please have a voice in Washington, please in the limited anciosed enveloped budgetary shortfall?" and Please to Fauth Markets. Brent Case on Onion

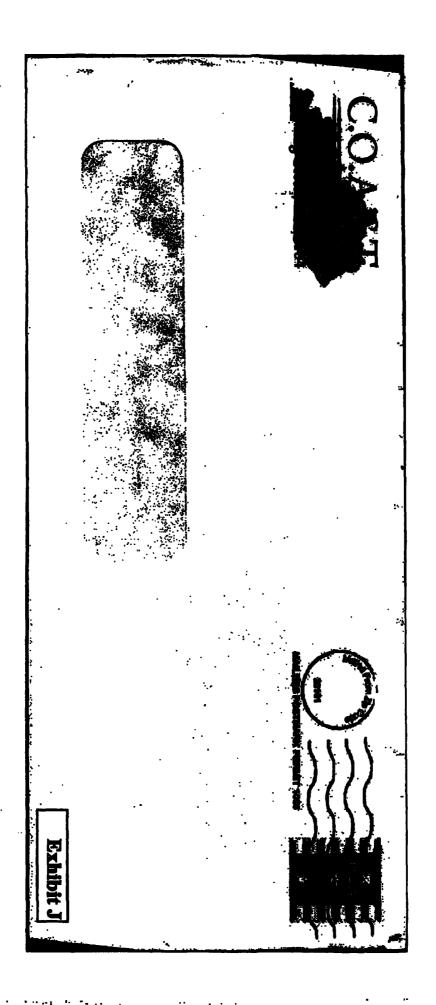
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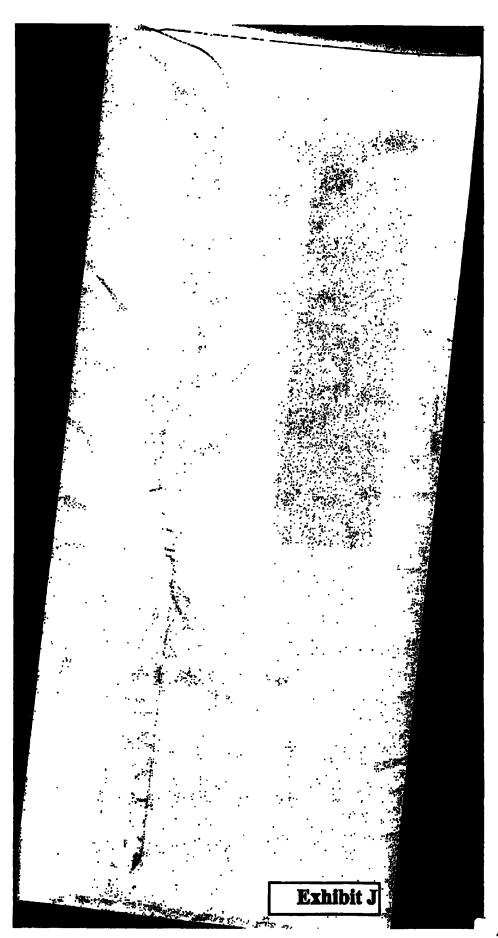


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#### **Money Bomb Today!**

COAST encourages you to participate in today's "money bortib" for Kentucky Senate candidate Rand Paul. Rand is in a tough primary race. He's already outraised his opponent, but needs to keep his lead.

If you've ever found yourcelf complaining about all the RINOs in the Republican Party, hearing your change to help martine it to its true can servative roots.

- 1. Click here to go to Rand's Tea Party page! You can read about the carroaign and link to other Rand Paul websites.
- 2. Contribute whatever you can afford! There's no minimum, and no remains making white. Rand malizes the common seconomy is tength, but he's exactly the right person to help you keep more of your money by forcing the government to spend less of it.
- 3. Follow the action here! A continuous ticker will list the nonnes of recent dances, as well as total contributions. Yes wan which progress in radii times.

Thanks for caring, and for continuing to improve our party and country..

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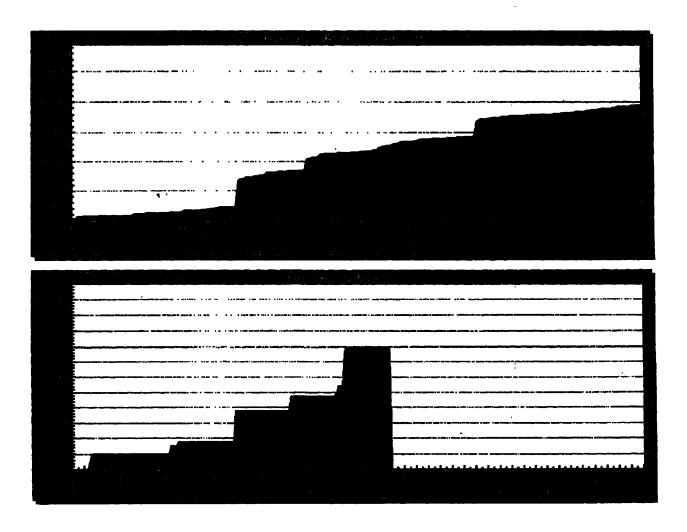
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Rand Paul for US Senate Support freedom, capitalism, balanced budgets? Support Rand Paul www.Randhaton.com



**Exhibit J** ATTACHMENT 1

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Sanda Railes As

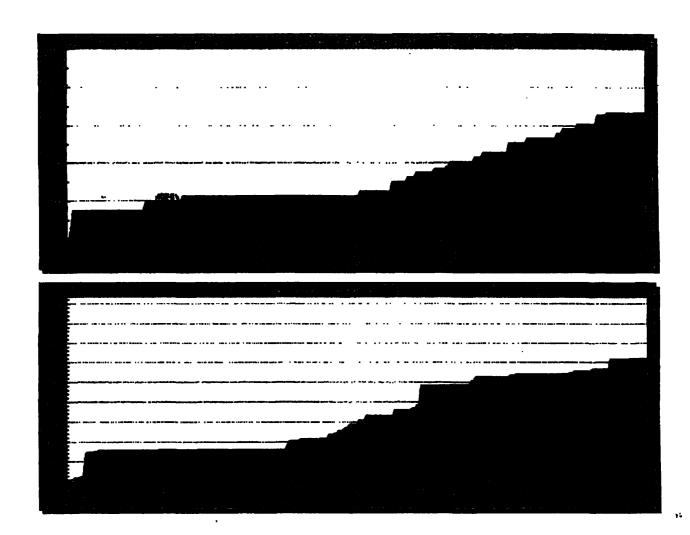


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### On December 16th, 1773, American colonists dumped ten into the Boston Harbor to protest an oppressive tax. This December 16th, American extrems will dump thousands of contributions into the Rand Paul senatorial emparies to protest the unprecedented expansion in the size and scope of the federal government. The Boston Tes Party helped ignate the American Revolution 236 years also. The founding fathers established a Constitutional Republic, a system of limited government which allowed freedom and prosperity to flourish for generations. Unfortunitally, today's so-called representatives have lost sight of the vision of the founders and have helpinght us unconstitutional programs that do great damage to our liberties. Now is our charles to reignite the spirit of freedom that quote changed America forever. Please join us this December 16th 2009 for Rand Paul's largest one-day don tene join is this December 10 to 2009 for Rand Point's intrest one-day contains events acrea acceds 5,000 patriots to commemorate the original Boston Tea Party, by pledging to contribute \$100 (or whatever you can afford) to the campaign of Rand Paul, and on that day — donating at his which it, random 2010.com. Help Make American History, Again! Please donate now at randpaul2010.com. Thank you! The moneybomb has started! The campaign started with \$1,439,657 at midnight. 985 pledges at midnight 12/16/09 Harris de la companya del companya del companya de la companya de



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Rand Paul's Tea Party - December 16th Moneybomb'

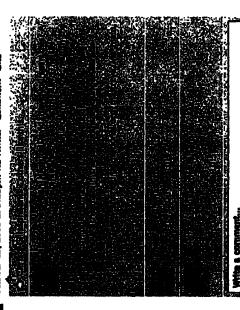
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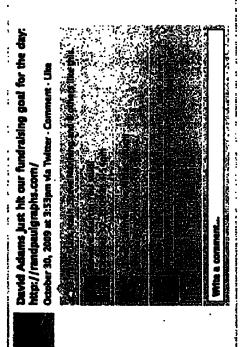
David Adams keeps raising money is small increments. The false attacks against Rand seem to be helping him: http://randpaulgraphs.com/ October 19, 2009 at 5:29pm via Twitter - Comment - Ulte



Michael J. Strunk So what about this Belancad Budget Amendment I saw written about the other day on KY Wordsmith, does Rand support that?

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BECENT ACTIVITY

An David and Jacqueline Williams Buckman are now friends. . Commer . Libe . Add as friend

3 mare similar stories

💋 David posted a link to Wesley Messamore's Wall.

David Adams expects a good Rand Paul money bomb on Thursday. November 2, 2009 at 11:15pm vs Twitter · Comment · Like



MESENT ACTIVITY

AB David jeined the group Marchr County Rapublican Party. . Comment · Libs · Join this Group AB David and Kasey Kelly are now friends. · Comment · Lite · And as France

By David and Joseph Pace are now Mends. . Commen - Like : Add as Phi

All banes and foliates Mortifican now franch. Commen - the - Add a

David Adams had enother great day in the 5th CD.
November 2, 2005 at 9:42pm via Titler - Comment - Lite



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tevember 1, 2009 at 9126am via Twitter - Cemment - Like



David Adams likes Francene Cucinello's suggestion that we use audio of Yarmuth liet http://bit.ly/JM/Vj November 5, 2009 at 7:19ats vs Twitter - Comment - Like

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David Adams likes this: http://bit.ly/72Snk November 15, 2009 at 8:21am via Twitter · Comment · Like Devid Adems is probably going to debate an Obama operative Wednesday night at EKU.

November 14, 2009 at 9:01pm via Twitter · Comment · Lite

Devid Adems wonders if you've heard about the next money bomb:

http://www.randsteaparty.com/
November 16, 2009 at 8:07em via Twitter - Comment - Like

F. Francisco Comment - Comment - Like

White a comment.

An David and Sherry Wakefield are new Hands. . Comment - Lite . Add as Friend An David and Brent Black are now friends. . Comment - Like . Add as Friend

**BCBIT ACTIVITY** 

II David exertics Rand Paul's Tea Perty. . Comment - Uha

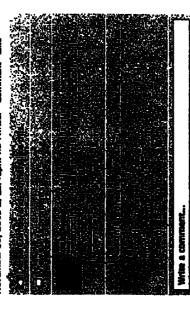
4 more shaller stories



David Adams had a great time in Russell Springs.
November 15, 2009 at 3:33pm via Twitter · Comment · Like

David Adams heard another Grayson fundraiser has been cancalled/delayed. Rand's Dec 16 money bomb is proceeding as planned: http://www.randpaul2010.com/

November 30, 2009 at 12:41pm via Twitter - Commett - Like



David Adams expects a big crowd tonight in Bardstown: http://www.facebook.com/event.php?eid=181038771474 Novembar 30, 2009 at 10:31am va Twittar - Comment - Like

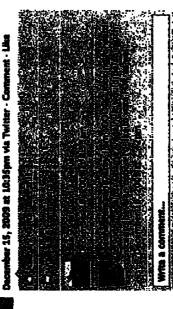


· Comment · Lite · Beene a Ras An David and Gregory Drake are now friends. · Comment · Lite · Add as Frient

David Adams is almost ready for the Tea Purty Money Bomb. December 15, 2009 at 11:25pm via Twitter - Comment - Lite

Wite a comment...

David Adams is stunned Obams let Citigroup socialize another 538 billion in losses. Great job, Buryi



David Adams forgot to mention passing Hazel Green Oceanber 15, 2009 at 10:13pm via Twitter - Comment - Like

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SECONT ACTIVITY

Devid likes Patricia Houser's status.

David became a fin of fin A Fan Of The Marcus Carey Perspective."

- Connect - Use - booms a Fan

(g) David and Gregory Draits are now Mends. • Common • Uso • Add as Friend

Devid Adams is almost ready for the Tea Party Money Bomb.
December 15, 2009 at 11:25pm vs Twitter - Comment - Like

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White a comment.

David Adams is stunned Obarna let Citigroup socializa another 538 billion in losses. Great job, Barryl

December 15, 2009 at 10:35pm via Twitter · Comment · Like





Devid Adems is cross—promoting. Shamelessly:
http://www.randpaul2010.com/2009/12/two-more-clicks-help-rand/
December 15, 2009 at 10:37am via Twitter - Comment - Like



LECTOR ACTIVITY

Lg David and John Nickler are now friends. . Commen: Like - Add se Friest

🔝 Certel and Skip Fress are now friends. • Common • Lite • Add as Friend

An David and Dife Rows are now Priends. . Committe . Uts . Add as Friend

David Adams needs you to go here and vote for Kantucky: http://publicpolicypolling.blogspot.com/2009/12/final-poll-of-2009.html December 15, 2009 at 9:02 and Pritter - Comment - Lita



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A CLEAR VISION 🧽 KENTUCKY

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You are hare: Home > General News > Two more clicks help Rand

# Two more clicks help Rand Published on 15 December 2008 by Devid Adems in General News

You're aiready planning to help make tomonow's Rand Paul Monay Somb a success, but you want to do more.

Independent pells are worth a lot to the campaign, especially now. And Public Polloy Polling is saking readers which U.S. Senate mas it should poll before the end of the year. Here's an idea; please take a few seconds to click here and vote for Kentucky so we can get another independent poli showing the ebength of Rand's campeign.

## C. Share Chave. H. E. Mr. S.

#### **Substact** Posts

- Pand Paul: The fundraising teader in Kentucty
- B. WHA611 Pell Results Show Rand Paul in Contention
  - C. Rand blazes another ball
- Truth thesis repositing
- E. Sarah Pelin for Rand on Fox

## MAKE A DONATION Rand Paulon Special Report LATEST VIDEO

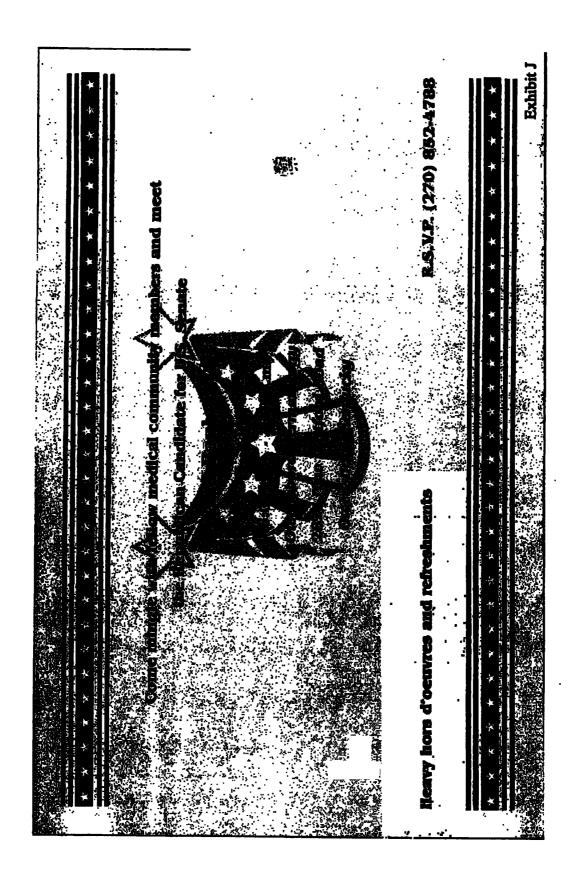
# EVENTS CALENDAR

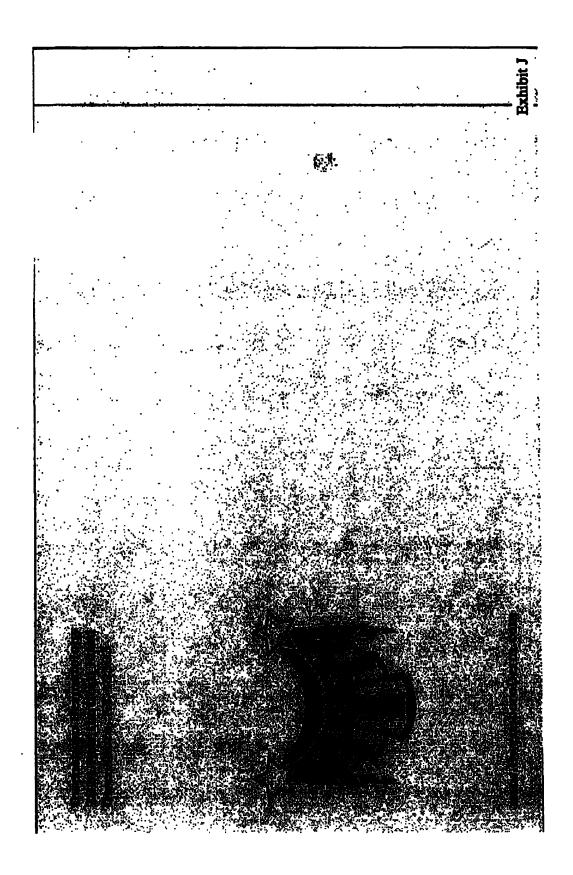
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UPCOMING EVENTS

Jefferson Co Lincoln Dinner Pebruary 19, 2010

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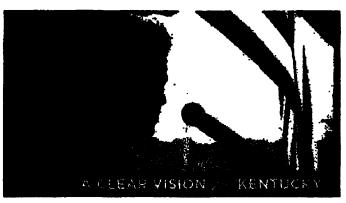
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FOR AND APPROVED BY RAND PAUL FOR U.S. SENA

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#### Calling all Rand Paul 2010 supporters and volunteers!

Help kick off our voter contact program by going door-to-door with Rand Paul and his family! Join us on January 30th at 10:00 AM as we go door-to-door in Louisville, doing a brief, 2 question voter survey. This voter contact program is the way to carry Rand Paul over the top in the Republican primary, and you can help!

Meet us at the Wal-Mart parking lot at 7101 Cedar Springs Blvd. (I-265 Gene Snyder Fwy at Bardstown Rd) in Louisville on the morning of the Raily For The Republicans as we kick our campaign into high geor! We'll collect vater data from 10:00 A.M. until 2:00 P.M., and then make our way to the Raily at the Kentucky Fair and Expo Center.

And an anaded incustive, the top adjustees who collect the most voter ID's will get an invitation to a private reception with Dr.'s Rand and Ran Paul before the Raily For The Republicans!

Please wear neutral dothing (no campaign shirts, buttons or stickers).

#### Details

WHO: All Rand Paul 2010 supporters and volunteers

WHAT: Kick off our voter contact program by going Door To Door with Dr.

Rand Paul and family!

WHEN: Saturday, January 30th 2010 @ 10:00 AM EST

WHERE: WalMart parking lot, 7101 Cedar Springs Blvd, Louisville KY 40291

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Thank you,

Andy Demers
Political Director

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4.00

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#### The battle starts here

Rand Paul has not been shy about pointing out the importance of getting the federal government's excessive picending and unconstitutional overreach underscriptol, His bodness has shaken up the political establishment in both political parties and has made Rand a favorite target of protectors of the glatus quo.

Kentucky Senator Jim Burining knows the feeling. Sen. Burining has faced any walkindre of absurd attacks the light few days for daring to taggest that money for at 10 tillion spending bill be taken from existing "attacks" tunde rative than borrowed on the nation's credit card. Sen. Burining and Dr. Paul understand that if we sail to take the necessary steps to balance our federal budget, we can't be field up by this absurd missalvanor of Waukington D.C. Democrats here at the beginning of the privates.

This is where your help is needed: Democratic U.S. Senate candidate, Daniel Honglando will protest at Sen. Beinging's technique office on Tuesday, Marth 2 in order to the protest of the for America, Marth 12 in order to the protest of the for America, Marth 12 in order to the protest of the same time, to show that we are not fooled and will not fat by purity while the big spenders perpendicular this outsings? The big spenders perpendicular this outsings? The big spenders perpendicular this outsings? The big spenders perpendicular this outsings?

the Miston will be waithing Tuteday, March 2, at 3:00pm ET at 271. Concern the fill of the Leibngton, Kertucky, John us Myou can to support it will responsibility and March Sallin fast growing company to get America back on track. Simply put, this is what the Teal Parties trace all about This could be our defining indinent.

Hope to see you there.

Sincerely,

David Adams, campaign manager Rand Paul for U.S. Senate

P.S. Please mark your calender for Rand's March 23 Give Me Liberty Money Child Click here for more information.

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Marija (1900), i stora kaj de kaj posta de 1,000. Marija di Sambin den kaj la Sambin de 1000.

"Editable und informative within the winds of the people... They are the only sure reliance for the preservation of our liberty."

-Thomas Jefferson



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